

TOWN OF
Los GATOS
CALIFORNIA



Annual Report

FY 2022/23

A Message From the Town Manager



I am honored to present the Town of Los Gatos Annual Report for Fiscal Year 2022/23, which highlights key services the Town provided to the community and other accomplishments from July 1, 2022 through June 30, 2023.

I would like to thank the Town Council for its stewardship this past year of Los Gatos, providing thoughtful, compassionate, and valuable leadership in its decisions regarding complex issues facing the Town. I would also like to recognize the good work, dedication, and innovation of Town staff as they continued to provide exceptional and professional services to the Los Gatos community as pandemic restrictions ended.

The Town continues to work on the Council's Strategic Priorities. Emphasis remains for wildfire protection, emergency preparedness, traffic calming/traffic safety for all users, parking study implementation, and prudent fiscal management, among other items.

The coming year strengthens Town partnerships to support the needs of Los Gatos' unhoused residents; implementation of the Senior Roadmap for the community's older adults; and continuing work on vegetation and hazardous tree management; and Diversity, Equity, and Inclusion efforts.

As always, we welcome community engagement as we continue to provide a high level of service to Los Gatos residents, businesses, and visitors. We look forward to another year serving the amazing and vibrant community of Los Gatos.

Laurel Phevetti
Town Manager

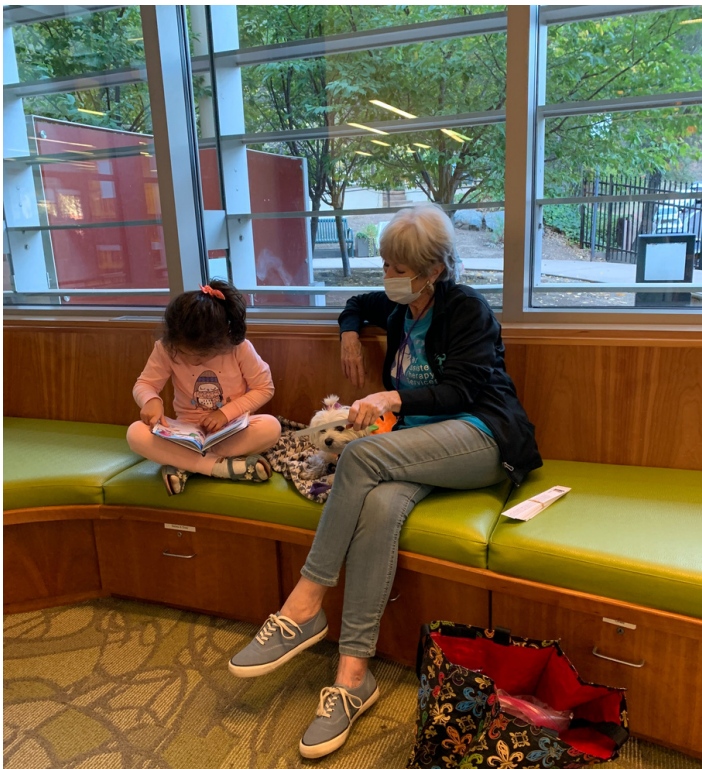
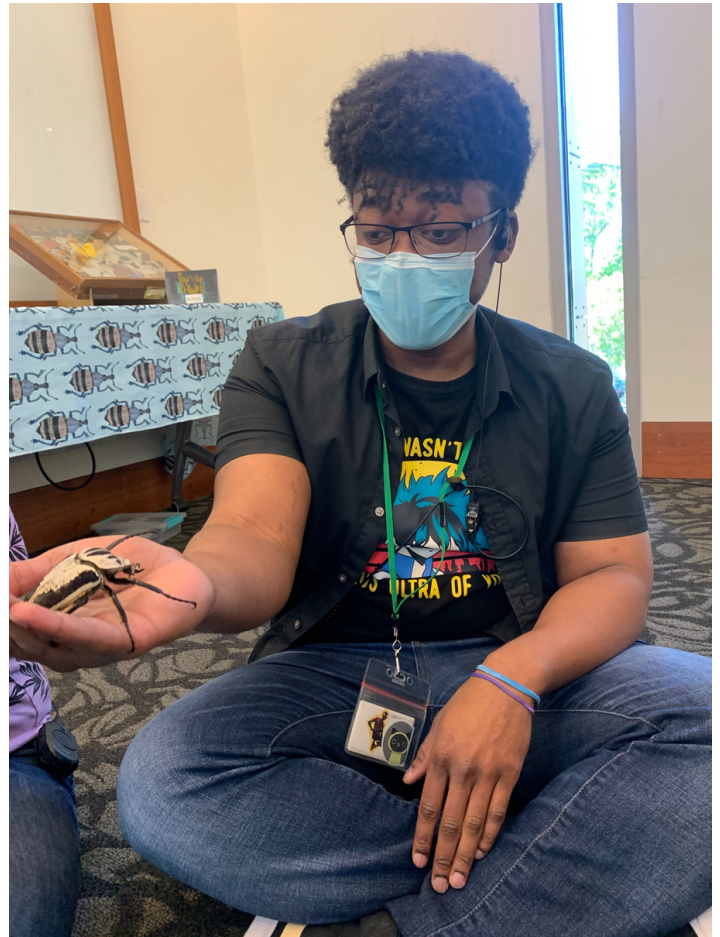


Library Life



The Library fully reopened this year, with the end of pandemic restrictions, and patrons were offered a full suite of programs and services. The Library continues to innovate and bring new opportunities for learning, connection, and exploration.

In fiscal year 2022/23, the Library developed and offered over 700 programs and activities to the community. It partnered with the San Francisco Opera to share three performances of “La Bohème Out of the Box” on the Civic Center Lawn. Big Truck Day returned and drew more than 1,600 people to the Library. The Library hosted magicians, entomologists, dancers, language instructors, wildlife experts, chefs, musicians, and so many more. The Department launched two new book clubs: a Cookbook Club where participants share monthly themed recipes and the Informed Citizens Book Club hosted by the president of the Los Gatos Anti-Racism Coalition community group.



Community partners have been a key part of the service plan this year. The Library hosted monthly programs with the Plant-Based Advocates of Los Gatos and partnered with NUMU and Los Gatos-Saratoga Community Education and Recreation (LGS Rec) to expand offerings for residents. The Department also hosted programs with AWQ, the United Against Hate campaign, Santa Clara County LGBTQ+ Youth services, and County Environmental Services. The Los Gatos Poet Laureate celebrates poetry and creativity through additional programming. Every month, Library staff visited two senior communities to deliver books and services to their residents.

This year, the Library was awarded multiple grants from several organizations, including grants for sustainability, early learning, interactive analog library spaces, and

Library Life



improvements to the Library's outdoor spaces. With these grant funds, the Library was able to plan and execute special projects such as weed reduction with goats, a sustainability speaker series, and changes to the Children's Room to create more a welcoming and inclusive environment for children of all abilities and learning styles.



The Library of Things collection grew both in numbers and in popularity. With Sustainability Grant funds, the Department launched Citizen Science Kits, allowing patrons to observe pollinators, measure air quality, or assess light pollution in their area. A grant from the Emergency Connectivity Fund allowed the Library to add more MiFi hotspots to the collection which circulated more than 600 times last year. The California State Parks and State Library expanded its Parks Pass program, and the Library is now circulating 50 passes that allow patrons to explore State Parks free of charge.

During the year, the Department continued to develop online content offerings, allowing patrons to interact with Library resources anywhere, anytime. It partnered with the Libraries Speaker Consortium to offer online talks with authors and thought leaders. Crafters can find online

tutorials and classes at Creativebug. Older adults can find hundreds of online classes to help stay mentally, physically, and socially active on GetSetUp. Students can find live online tutoring help 24/7 on Brainfuse. Cooks and armchair travelers can explore the new A to Z World Foods database and find recipes from 174 countries. For a complete list of Library E-Resources, visit www.LosGatosCA.gov/2397/E-Resources-Alphabetical-List.

In partnership with the Town as a whole, the Library has continued to explore and develop Equity and Inclusion efforts. The Department began using new software to assess and improve the diversity of the Library collection. Staff codified practices for "Stories We're Celebrating" to create a roadmap for celebrating holidays and observances throughout the year. The programming team has developed a calendar full of cultural experiences and made every effort to celebrate stories that have been previously underrepresented.



Community Development



Throughout the 2022/23 fiscal year, the Community Development Department (CDD) has continued to work towards strengthening the character of the built environment while meeting the service needs of the community.

CDD developed a permanent ordinance to implement Senate Bill (SB 9) regulations. The ordinance was approved by Town Council and is available to view on the Town website at www.LosGatosCA.gov/SB9.

The Department also worked on Objective Design Standards for qualifying multi-family and mixed-use residential development which were adopted by the Council and can be viewed at www.LosGatosCA.gov/ObjectiveStandards.

CDD streamlined the permitting process for Accessory Dwelling Units (www.LosGatosCA.gov/ADU) and launched a new webpage where the community can access information about State housing laws (www.LosGatosCA.gov/2873/State-Housing-Laws).

Building Safety Month was celebrated in May with a social media safety campaign, a safety class for kids and families

at the Library, and an informational booth at the Farmers' Market. In fact, CDD was a staple at the Farmers' Market this year, with community outreach booths on a variety of topics, including the General Plan Update and Housing Element Update.

Community Development Notable Numbers:



- 606 Planning Permit Applications Filed
- 1,149 Building Permits Issued
- 820 Code Compliance Violations Filed

In fall 2022, a referendum to repeal the Land Use and Community Design Elements of the adopted 2040 General Plan was received and the referendum signatures were verified by the County Registrar; therefore, the 2040 General Plan Land Use and Community Design Elements were suspended in accordance with Elections Code Section 9237. On October 4, 2022, Town Council adopted a resolution to provide that the 2020 General Plan Land Use and Community Design Elements would govern during the period of suspension. More information on the General Plan can be found at www.LosGatosCA.gov/GeneralPlan.

The Community Development Department was also hard at work this fiscal year on the Housing Element Update. The Draft Housing Element was prepared and submitted to the California Department of Housing and Community Development (HCD) on October 14, 2022. The Town Council adopted the 2023-2031 Housing Element on January 30, 2023. The Town submitted a revised Housing Element to HCD on March 31, 2023. Full details regarding the Housing Element Update process are available on the Town website at www.LosGatosCA.gov/HousingElement.



Community Vitality & Town Events



The Town's Economic Vitality program continues to focus on business retention and attraction, permit streamlining, and overall flexibility to support current and prospective businesses, property owners, and other industry professionals in Los Gatos by creating connections and building a bridge between the private business sector and the public process. Together with Community Development and other Town Departments, Economic Vitality staff strives to provide high-quality customer assistance and cross-departmental coordination that is tailored to the needs of individual businesses with the end goal of assisting each business to find a successful path forward in Los Gatos.



As we emerged from the pandemic, the effects on the economy remained. In the 2022/23 fiscal year, the Los Gatos business community experienced a continuation of the challenges COVID brought, including the dynamic economic situation. The Town's business community remained resilient while the Town Council persisted in its unwavering support for economic recovery by extending the adopted Economic Recovery Resolution through October of 2023 to allow for the Town Council to consider more permanent land use and permit streamlining opportunities and build in flexibility for businesses to continue to evolve and adapt. This resolution continues to create allowances for expanded opportunities for new and existing Los Gatos businesses including reduced or subsidized fees and decreased timelines.

The Town's al fresco dining experience program, known as the Semi-Permanent Parklet Program, began to take physical shape with the construction and implementation of over 20 new on-street parklets. The program was anticipated to have a completion date at the end of the FY 2022/23; however, the winter storms created a challenging construction environment and the program was extended through fall 2023. While these parklets are not permanent, they offer a longer-term solution to outdoor dining and create opportunities for community placemaking. Each business with a semi-permanent parklet has entered into a public-private partnership with the Town to build, furnish, and maintain the parklet. The business may exclusively use the space during its operating hours and must make it available for public use when the establishment is closed. In FY 2020/21, the Town Council approved this subsidized program using American Recovery Plan Act (ARPA) funding, in which businesses are provided a subsidy and construction grant.



Community Vitality & Town Events



Community Vitality goes beyond business success and is supported by the Town's many festive, inclusive, and beloved community events. FY 2022/2023 saw a substantial increase in the community's interest to reconnect through outdoor, special event opportunities. The Town issued a total of 36 special event permits for community event organizers to host special events in Town.

Likewise, the Town was excited to welcome back its own events and celebrate with the Los Gatos community. The fiscal year kicked off with the Town's annual 4th of July Symphony in the Park, where community members gathered together to enjoy food; drinks; entertainment including a magician, inflatable bounce houses, crafts, and

the Billy Jones Wildcat Railroad and carousel; and a patriotic concert by the San Jose Wind Symphony within the beautiful setting of Oak Meadow Park. Additionally, the Town provided a second round of ARPA grant funding to the Chamber of Commerce to coordinate the Thursday Night Promenade series of events, where the Chamber brought music and other entertainment to a closed N. Santa Cruz Avenue weekly, offering event goers the chance to rediscover downtown and reconnect with the community. Other Town events included: the annual Screen on the Green fall movie night where the community enjoyed the Disney film "Encanto" under the stars; the Town's annual celebration of the Holiday Tree Lighting; and the Spring into Green event celebrating sustainability, Earth Day, and Arbor Day.



Transportation, Infrastructure & Environmental Success



Mobility for All

Over five years have passed since the adoption of the Bicycle and Pedestrian Master Plan in 2017. The Plan specified over 100 recommended projects and programs to enhance and expand safe access throughout a Town-wide network. As of December 2022, the Town has completed 17 projects (an average of three projects per year) with four projects currently in progress.

In addition to the project specific pages on the Town website, Parks and Public Works (PPW) staff recently created an online story map (www.LosGatosCA.gov/ConnectLG) that includes all bicycle and pedestrian projects in the Master Plan. Projects are organized and displayed in ten neighborhood areas, which provides convenient navigation. Each project has photos, a description, and status. There is also an interactive map that features a search bar and displays projects by status as red (planned), yellow (in progress), and green (completed) for a Town-wide perspective. The story map and interactive map will be updated as project status changes. While this is a work in progress, the community is welcome to visit the story map, navigate through projects by neighborhood area, or use the search tool to look up a specific address, street name, or intersection.

Parks & Public Works Notable Numbers:



- 586 Encroachment Permits Issued
- 202 Tree Removal Permits Issued
- 18 Grading Permits Issued
- 83 Haul Permits Issued
- 91 Architecture & Site Applications Reviewed

Engineering and Capital Improvement Projects

The Engineering Division is working on many different capital improvement projects in Los Gatos. Every year, the Town completes curb, gutter, and sidewalk improvements as well as street repairs and resurfacing.

With the completion of design work, Engineering staff advertised the Los Gatos Creek Trail to Highway 9 Trailhead Connector Project for construction. Construction is expected to begin in the fall of 2023.

The conceptual design for the Shannon Road Pedestrian and Bikeway Improvements, a federally funded project, was initially not approved by the Council nor supported by many in the community. Staff conducted a community meeting to get input on new design options. Based on this input, staff re-evaluated the design and developed a new concept which was shared with the community and Council in June.

The new concept provided additional trees, reduced pavement, and added on-street parking for the neighborhood. The concept was unanimously supported by both the Council and the community.

The Blossom Hill Road Safety Project from Camellia Terrace to Cherrystone/Hillbrook Drive design was approved by Council and will be implemented in coordination with the annual Street Repair and Resurfacing project in the summer of 2023.

PPW began collaboration with the City of San Jose to address speeding concerns along Blossom Hill Road between Union Avenue and the eastern Town limits (just east of Harwood Road).

PPW completed the field improvements for the Los Gatos Smart Signals Project, a federal-aid project. The Department continued implementing an adaptive control

Transportation, Infrastructure & Environmental Success



system along the Los Gatos Boulevard corridor, and the operations and oversight of the advanced traffic signal management at all traffic signals throughout Town. Staff oversaw Town-wide traffic signal and streetlight maintenance and operations. The Department continued collaborating with schools for the virtual bike detection system at nine signalized intersections along Los Gatos Boulevard.

A nexus study is underway to determine potential changes to the Town's Transportation Impact Mitigation Fee and a possible new Vehicle Miles Traveled (VMT) Fee.

Staff continued to advance the Neighborhood Traffic Calming projects and will install the fourth and fifth speed humps on Shannon Road between Los Gatos Boulevard and Cherry Blossom Lane as part of the Shannon Road Pedestrian and Bikeway Improvements project. Community engagement and design of the traffic calming project on Corinne Drive is ongoing.

The Department continued working with the Valley Transportation Authority, Caltrans, and the design team on the State Route 17 Corridor Congestion Relief project design.



Environmental Services

The PPW Department's Environmental Services Division, in partnership with Los Gatos Library, was awarded a \$30,000 grant through the Sustainable California Libraries program. The funding allowed the development of a sustainability speaker series, translation services, environmental kits for checkout, a seed and sustainable gardening library, and re-landscaping of the Children's Garden with local flora. The grant also funded a herd of goats for weed abatement on the hillside behind the Library. The weed abatement is part of the Town's ongoing wildfire mitigation efforts.

Five utility box vinyl wraps were installed during FY2022/23 through the "Outside the Box" art program. This program enhances the character of the community by adding artwork to utility boxes that are often targeted by graffiti. Selected artwork reflects diversity, equity, inclusivity, and environmental outreach messages that promote community sustainability.



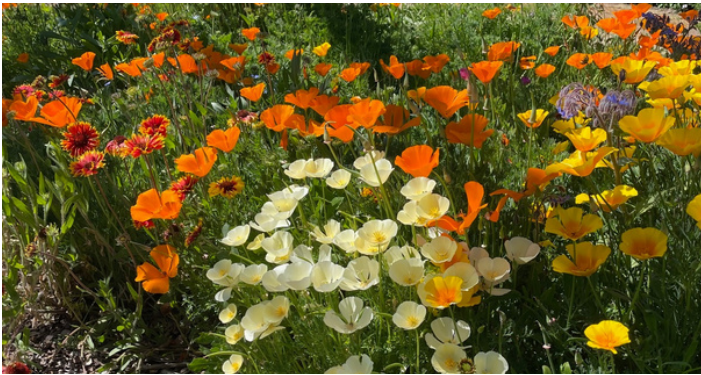
Transportation, Infrastructure & Environmental Success



Trees and Vegetation Management

With this year's weather transitioning from drought conditions into extreme storms, PPW staff responded to hundreds of storm damage calls including approximately 80 fallen trees. Streets and Parks crews combined with the Town's tree service contractor were able to respond to all emergency calls fielded by Police Dispatch and Department managers. Storm-related tree damage reports continue to be addressed as residual tree damage is exposed.

PPW continues to work on roadside and open space vegetation management to increase fire buffer zones and emergency vehicle clearances through Federal Emergency Management Agency (FEMA) and US Department of Agriculture Forest Service grant funding. The next phase will address several miles of overgrown roadside vegetation throughout the Wildland Urban Interface (WUI).



Pollinators in Parks

In addition to providing space for recreation, the Town's parks and open spaces play a critical role in the natural environment. To enhance the Los Gatos ecosystem, Parks staff has been adding native plant species to local parks. Native plants are adapted to the local climate and provide nectar, pollen, and seeds that serve as food for native butterflies, birds, insects, and animals. In 2022, Parks staff added a new native garden space in Live Oak Manor along Lester Drive that is thriving in summer 2023. Look for more pollinator spaces around Town in the coming years.

Facilities and Vehicle Fleet

Facilities completed Phase 2 of the Capital Improvement Project for a building replacement in the Parks and Public Works Corporation Yard. This phase included the demolition of an older building and replacement with a larger steel storage building for both PPW and the Police Department. Phase 1 of this project was the renovation of the Engineering and Maintenance Building, completed in FY 2021/22.

In FY 2022/23, Facilities contracted the replacement of a failed booster pump in a restroom building at Belgatos Park. This pump is critical to bringing water supply from a lower elevation up to the park for irrigation. This project required the removal of the old pump through the building's skylight by means of a crane. All new replacement equipment was then built in place.

In FY 2022/23, Facilities completed three projects at the Adult Recreation Center. First was the installation of new flooring throughout the entire facility, including non-slip flooring on two staircases, carpeting in offices, and vinyl plank in the multi-purpose room and hallways. This project was followed by the replacement of 18 heating, ventilation and air conditioning units. Finally, a full interior paint job was done to further enhance the look of the facility.

PPW maintains the Town's fleet and equipment inventory and this year replaced 12 vehicles – including six gas powered vehicles with hybrids and one with a fully electric vehicle.



Connecting & Communicating



This fiscal year the Town remained dedicated to community engagement by continuing to produce a weekly digital Newsletter; maintaining a strong official Town presence on Facebook, Instagram, Twitter, LinkedIn, and Nextdoor social media platforms; utilizing print media; and improving website content and transparency.

The community can sign up to receive the weekly Newsletter via email or text message by either (1) visiting the Town website and clicking “Notify Me,” (2) calling (408) 354-6832, or (3) sending an email to engage@losgatosca.gov with the subject “Sign Me Up.” The Newsletter goes out every Friday afternoon and provides news about services, events, and issues in Los Gatos. There are currently over 2,100 subscribers.

The Town continues to utilize social media to deliver timely and relevant information, respond to inquiries, and engage with the community. Over 3,000 people follow the Town on Facebook and there are over 4,300 followers on Instagram. Over 2,400 subscribe to the Town’s X (formerly Twitter) feed, and the Town can reach up to 23,000 members by posting on Nextdoor. The newer LinkedIn page has over 900 followers.

After every Council meeting, the Town posts a succinct summary of the outcomes of the meeting in a series called #OurTown. The Town posts a #tbtLG series, providing a throwback look at Los Gatos history every Thursday. The Town also runs a #ProudtobeLG campaign, where we recognize Town employees on their milestone work anniversaries, provide the community some of the faces behind many Town services, and learn why Town staff are proud to work for Los Gatos. #LosGatosParksandTrails is a social media series that highlights some of the gorgeous outdoor spaces the Town has to offer.



Every week the Town also shares West Valley Clean Water Authority’s #WaterWednesday posts with helpful water-related information and tips for the community. This year, the Town also published targeted campaigns for Building Safety Month and a series that examined different aspects of the Housing Element Update to demystify its technicalities.

The Town continues to use ArchiveSocial social media record retention software to increase transparency and access to social media records.

Direct mailing postcards were sent out to the community on a variety of topics, including the Housing Element Update, bicycle and pedestrian projects, and community development projects.

For more information and to stay connected, visit the Town’s website at www.LosGatosCA.gov.



Public Safety



Introduction

The Los Gatos-Monte Sereno Police Department provides Police services to the Town of Los Gatos and contractually to the City of Monte Sereno. The Department is committed to ensuring public safety with integrity, compassion, and professionalism by providing exceptional law enforcement services, building community partnerships, and engaging the community in problem solving.

Recruitment, Development & Retention

The Department made significant strides to recruit and hire for vacant staff positions. Six sworn Officer and five professional staff hiring processes were completed. In addition, over 21 employment background investigations were conducted on candidates for potential hire. The Police Department developed an Officer Hiring Bonus Referral Program to encourage and incentivize current staff with recruitment efforts for qualified sworn Officer and Dispatcher candidates who successfully complete the hiring process and training.

The Department also focused on enhancing career growth within the organization. The Police Department established several opportunities for staff development through training and conferences, internal promotions, reclassifications, and other efforts.



Active Partnerships

The Police Department launched a revitalized approach to Community Policing through the promotion of community engagement by all staff. All Police Department personnel are committed to an organizational strategy of collaboration and problem-solving with the goal of creating a safe environment for all community members while providing an extraordinary level of customer service.

The Police Department continues to build upon strong Police-community partnerships through innovative programs, including School Resource Officer, Safe Routes to School, Youth Commission, homeless outreach, behavioral health response, and traffic management. Volunteer programs such as Reserve Police Officers, Community Emergency Response Team (CERT), Volunteers in Policing (VIP), Disaster Aid Response Team (DART), the Police Chaplaincy program, Parking Citation Hearing Officers, Victim Services Unit (VSU), and the Police Explorer program extend opportunities for community engagement. For the past 16 years, volunteers and staff have personally welcomed new homeowners to the Town through the Department's New Resident Outreach Program, documented and removed graffiti, and conducted numerous vacation checks. In fall 2022, the Police



Public Safety



Department held its first Community Police Academy to increase understanding and strengthen relationships between residents, the faith community, businesses, and the Police Department. The 10-week Academy was led by Department staff and consisted of approximately 25 community participants. The program included insights on the Department's efforts to keep our neighborhoods safe, and an in-depth look at the roles and responsibilities of Police personnel.

The Police Department partnered with County mental health programs and senior living facilities to assist with vulnerable individuals within the community. The Police Department Vulnerable Communities Liaison Officer expanded services beyond homeless outreach. In addition, Officers involved in this program coordinated maintenance projects along Los Gatos Creek Trail and partnered with faith-based service providers to distribute services and supplies for unhoused individuals.



Prevent & Reduce Crime, Improve Quality of Life, and Traffic Safety

The Neighborhood Watch Program continues to be a positive community-policing and problem-solving engagement tool. Over eight Neighborhood Watch Community Emergency Response Team (CERT) leads

continue to identify areas of priorities to strengthen community resilience and preparation of the Neighborhood Incident Command Posts (NICPs), focusing on skills which provide emergency preparedness information in virtual settings. Additionally, a continuing goal is neighborhood and individual emergency preparedness education and recruitment of additional CERT members to build partnerships between CERT and the Neighborhood Watch participants in the event of an emergency.

The Department increased its collaborative efforts with Federal and local law enforcement partners in burglary suppression, investigative information sharing, and joint training for major traffic collision investigations. The sharing of information related to high-profile and regionalized criminal activity has increased the Department's ability to solve outstanding cases, prevent local victimization, and seek joint prosecutorial efforts for organized crime across all jurisdictional lines.

Embrace & Integrate Technology throughout the Agency

The Department completed its two-year pilot program of Flock Automated License Plate Reader (ALPR) technology equipment used as a tool to combat criminal activity. Two additional ALPR cameras were added to the current system (total 17 cameras) which proved to be a force multiplier in the investigative efforts regarding criminal activity and preventing future victimization within the community.

The Department replaced its existing in-car Mobile Audio Video (MAV) systems within the Patrol Fleet. The Axon MAV system equipment within each patrol vehicle integrates with individual Officer Body Worn Cameras (BWC) and interfaces with current digital evidence storage systems. The Department upgraded to the most current BWC technology to enhance video and audio technology, increase search and activation functions, and extend battery life.

Public Safety



The Police Department also implemented drone technology to its emergency operational capabilities during major incidents, emergency disaster assessment, and as a tool to increase officer safety and operational deployment. Five Officers attended certified training specific to drone use.



Department recruited two new Police Chaplains this past year. The Chaplaincy program consists of volunteer chaplains from various local faith-based organizations who provide support to Department personnel and community members before, during, and after a critical incident.

The Department's Canine Therapy Dog program is a local and County resource available for public safety and community incidents. Similar to the Chaplaincy program, the Therapy Dog program has assisted with employee wellness, victim and mental health crisis, and the Peer Support Program. The canines and handlers are valuable for community engagement and outreach.

Organization Wellness

The Police Department is committed to promoting the physical and emotional wellbeing of all staff to maintain a healthy and resilient lifestyle given the rigors of public safety. As part of enhancing the wellness program, the Department offered comprehensive cardiac screening evaluations, and individualized nutrition and exercise recommendations designed exclusively for public safety.

About 92 staff members participated, which included staff from three neighboring law enforcement agencies. The



Becoming an Inclusive Community



As racial justice issues continue to be at the forefront of conversations at national and local levels and diversity, equity, and inclusion (DEI) remain a Council Strategic Priority, the Town continues striving to be more inclusive for all.

On August 22, 2022, Governor Gavin Newsom signed into law SB 1100 which updates public meeting laws to establish “mechanisms to de-escalate disruptions” and allow local governments to remove individuals or groups who are “willfully interrupting” meetings. The law also allows the leader of the public meeting, such as the Mayor or Chairperson, to remove a disruptive participant after issuing a warning. The bill was introduced by State Senator Dave Cortese and co-authored by Assemblymember Evan Low. The Town worked with Senator Cortese and Assemblymember Low on the development of the legislation based on experiences at Los Gatos Council meetings and enthusiastically supported the bill.

This legislation is important to allow the business of City/Town Councils, Boards of Supervisors, School Districts, and Special Districts to proceed in an orderly and respectful fashion. The modifications to the Brown Act with SB 1100 strike a balance to maintain individual civil liberties and Constitutional rights, protect public safety, and provide needed protection of elected officials and their work on behalf of their communities.

In September 2022, the Town Council received the “Discovery Report Regarding Justice, Diversity, Equity and Inclusion” from the Town’s equity consultant and unanimously directed staff to continue work with the consultant on the development of a DEI Plan. The Plan is expected to have specific short and long term goals, action items, and metrics. The Plan will also include the definitions of “inclusivity,” “belonging,” and other terms to develop a common understanding of these concepts.

Work on the DEI Plan is currently underway, under the leadership of the Town Manager’s Office. The consultant and Town staff have been working with the community on

identifying definitions and principles to include in the Plan.

A community workshop was held in Spring 2023 to garner additional public input. All Town Boards, Committees, and Commissions are offering feedback on the Plan and examining how their work intersects with equity and inclusion in Los Gatos. Town staff is reflecting on the organization internally in terms of how the Town can foster a more diverse workforce, strengthen procedures to protect staff from uncivil behavior, and be more welcoming for all.

At a January 2023 Special Town Council meeting, the Council adopted the 2023 - 2031 Housing Element with modifications to the Sites Inventory, finding that it was in substantial compliance with State law. The Housing Element is a strategic plan for housing the Town’s present and future residents.

At a separate January 2023 meeting, the Council unanimously approved the Library’s Holiday and Recognition Work Plan. The goal of thoughtful acknowledgement of holidays and recognition months is to foster an inclusive community. The Library’s core purpose is to connect people with stories that broaden understanding.

All Town Departments continue to use a lens of equity, diversity, and inclusion in the development of the Town budget, delivery of services, and the creation of all new programs, projects, and policies. More information is available at www.LosGatosCA.gov/Inclusivity.



Internal Town-Wide Operations



Information Technology (IT)

The IT infrastructure, services, and application systems are critical resources utilized by staff to provide high quality Town services. The IT Department has addressed over 1,300 internal IT support requests this past fiscal year while working on various systems and infrastructure projects.

A concerted effort was undertaken to identify and upgrade aging IT equipment. The Town's core network infrastructure was upgraded to next generation cloud-managed network equipment for increased security and more efficient network management. The upgrading of the remaining network equipment across all Town facilities will continue through the new fiscal year. The uninterruptable power supplies housing server and network equipment were also upgraded to newer systems to provide optimal uptime during unexpected power interruptions.

A new video conferencing system was setup in the Emergency Operations Center (EOC) to provide a better means of communication and collaboration when the EOC is activated during an emergency. The new video system allows emergency workers in the field to establish a video call back into the EOC and provide a real-time video feed for better situational awareness.

The Town's mobile devices were fully integrated into a mobile device management system which allows for better management of security updates and application deployments. The Town's online permitting system was expanded to the Parks and Public Works Department to help streamline the permit application process along with increased efficiencies of internal processes. The Town's Geographic Information System (GIS) site was upgraded to a faster, more secure, and reliable environment with increased functionality. The IT Department continues to closely collaborate with the Finance Department on the ongoing implementation of the Town's new Enterprise Resource Planning (ERP) system.

Town Attorney's Office Notable Numbers:



- 21 Claims Processed
- 13 Subpoenas Received and Documentation Sent
- 280 Contracts Reviewed
- 50 Public Records Act Requests' Documents Reviewed

Town Attorney's Office

This fiscal year, the Town Attorney's Office finished work on the Shannon Road Repair settlement and implementation of the voter-approved Business License Tax update. The Attorney's Office provided support to the Community Development Department regarding the Housing Element update and also worked on the E-Bike Ordinance in conjunction with the Youth Commission and the Police Department.

The Attorney's Office completed amendments to the Parcel Merger Ordinance, Bingo Ordinance, and Concealed Carry/Sensitive Places Ordinance. Fiscal year 2022/23 also saw the Attorney's Office obtain increased insurance awards for two large claims and obtain witness fees and documentation production costs for subpoenas. The Attorney's Office provided valuable legal support to all Town Departments in the areas of consultant and vendor agreements, personnel and labor matters, legal interpretations, and other topics.



Internal Town-Wide Operations



Town Clerk Department

The Clerk Department transitioned the Town Council and Finance Commission meetings to an in-person/teleconference hybrid format utilizing the Zoom platform and assisted the Community Development Department with the transition of the Planning Commission to the same meeting format. The Clerk's Office also processed a referendum petition for two Elements of the General Plan and conducted the Town's election for three Council Member seats and the Business License Tax revenue measure. This included issuing nomination papers to six candidates, assisting with the candidate orientation, and certifying the election results. With the recent implementation of the public records request software system, JustFOIA, the Clerk's office was able to efficiently process 272 total public records requests. The Clerk's office continues to review and update Department procedures to increase efficiencies.

Human Resources

As a service organization, the delivery of exceptional Town services depends on high performing, professional, and engaged employees. The Human Resources (HR) Department supports all Departments, using a strategic talent acquisition approach to ensure the Town has adequate staff resources to deliver Town services. Recruiting and filling vacant positions in a timely manner and ensuring a fair and compliant recruitment process is vital to the organization. Attracting and retaining a diverse workforce is also central to the Town's success. During this fiscal year, HR successfully filled 24 full-time new hire vacancies and oversaw the promotions of 10 current employees as well as four reclassifications.

Human Resources continues to enhance and implement new technology efficiencies that have improved automation and streamlined essential HR functions such as onboarding/offboarding/performance management and the use of eForms to securely store digital employee

documents and easily manage routing and approvals with workflow. HR's role is to also ensure that the Town invests in a proactive safety culture, employee training and development, as well as a robust health and wellness program.



Town Manager's Office

This fiscal year, the Town Manager's Office (TMO) remained focused on economic recovery and vitality for local businesses, continuing work on the downtown Semi-Permanent Parklet Program, and completing the transition from the Temporary KRail Parklet Program. The TMO also continued administration of a grant match program for businesses to provide platforms, ramps, and other essential items that allow the parklets to become accessible and meet Americans with Disabilities Act requirements.

The Manager's Office provided staff support to the Senior Services Committee in its work to create a Senior Roadmap. The Roadmap was completed and endorsed by the Town Council in early 2023. The Council asked the Community Health and Senior Services Commission (CHSSC) to take the lead on implementing some of the first year activities in the Roadmap. With a key vacancy in the Manager's Office, the Library Director stepped in to support the CHSSC in its efforts.

Internal Town-Wide Operations



The Manager's Office remained dedicated to the Town's commitment to diversity, equity, and inclusion (DEI). The TMO led the creation of an inter-Departmental staff Equity Team to form a foundation to advance equity within Departments and Town service delivery and coordinated DEI training for all staff, Commissioners, and Council Members. In addition, TMO staff worked on the development of a DEI Plan with the Town's consultant in conjunction with Town Boards, Committees, and Commissions; staff; and the greater Los Gatos community. This work is discussed in more detail under the "Becoming an Inclusive Community" section of this report.

The TMO took the lead on a seven-month process to redesign the Town website with increased responsiveness

on mobile devices, improved functionality for accessibility, updated Town branding logo and colors, and a cleaner and modern look to be more user friendly. The Manager's Office also coordinated training for all staff website users to improve website content, accessibility, and stay up to date with best practices.

This year, TMO staff also provided community outreach and support for the development of Business License Modernization Ballot Measure J and support for implementation after the measure passed in the November 2022 election, increasing the Town's business license taxes and revenue for the first time in over 30 years.



Commissions, Committees & Boards



The Finance Commission continued its mandated reviews of the Town's Annual Comprehensive Financial Report (ACFR) and the Town's Proposed Operating and Capital Budgets. In addition, the Commission continued work on the development of Key Performance Indicators (KPIs) for the Town's finances and conducted a review of the Town's investment reporting, existing revenues, and potential revenue enhancements.



The Planning Commission worked throughout the year to review and make decisions or recommendations on development projects, planning-related policy, and Zoning Code changes. Their work affects the physical appearance of buildings throughout the Town and the mix of uses allowed. Over their 17 meetings this year, the Commission considered and gave direction on 34 agenda items.

The Arts and Culture Commission created a work plan for arts that included researching arts programs in other jurisdictions, looking into different varieties of funding mechanisms for arts, and beginning to research grant opportunities. With the support of the Commission, the Town entered into a partnership with SVCcreates, a County-wide non-profit arts support agency, in order to better communicate with Arts Commissions in neighboring jurisdictions and leverage opportunities for arts initiatives. Additionally, the Commission, in partnership with Parks and Public Works, completed the installation of the second Gateway sculpture at Lark and Hwy 17, as well as solidifying Council support for the next three sculptures for installation over the next three years.



The Library Board continued updating working procedures and creating policies to address changing Library community use and issues as they arise. In response to larger national trends of book challenges and censorship, the Board reviewed policies for addressing formal book challenges, Freedom to Read statements, and commitments to fair and equitable access to resources and information. Addressing more local issues, the Board reviewed procedures and guidelines for volunteers, material collection, and patron behavior. The Board's annual community survey regarding library services continues to show much support for the Library as well as opportunities for continual growth to fit the evolving community.

Commissions, Committees & Boards

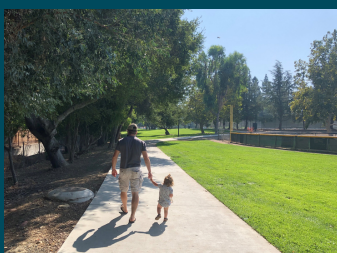


The Complete Streets and Transportation Commission (CSTC) engaged in a range of activities to support biking and walking, safety, parking, and mobility. The Commission focused on shared mobility, public transportation, safety on mountain roads, bike valet, and outreach on the Bicycle and Pedestrian Plan. The Commission created Ad Hoc Committees for Transportation Demand Management, Senior Transportation, and Traffic Safety to support the transportation priorities of the Council and Senior Roadmap. Members of the CSTC hosted bike valets during the Holiday Parade and Spring into Green events. Commission members also volunteered to support the Bike to Wherever Day Energizer Station.



The Community Health and Senior Services Commission continued working with the Senior Services Committee to complete a Senior Roadmap which envisions services for older community members over the next ten years. The Commission took over the implementation steps of several of the Roadmap goals after the plan was endorsed by Council. The Commission also worked closely with LGS Recreation regarding 55+ programming and continued improvement of the “HUB” 55+ resource webpage. Additionally, the Commission began communicating with the County Supervisor’s Office regarding opportunities for supporting mental health efforts.

The Los Gatos Youth Commission brought a no-host ordinance and an amendment to the Town’s bicycle ordinance to Town Council. They helped to create two bike safety videos and will continue outreach to the community and local schools about bike safety. The Commission is also continuing outreach to promote the reusable food ware ordinance to all local businesses and schools in Los Gatos. The Commission continues to partner with Canine Companion, LGMSPD Therapy dogs, and Los Gatos High School to host a meet and greet to welcome students back to school. They are also continuing to expand the Special Needs Awareness Program (SNAP) and the Environmentally Friendly Business Program to recognize green businesses in the community.



The Parks Commission reviewed activities in parks and open spaces, acting in its advisory role. The Commission supported the community with projects such as the Oak Meadow Bandstand Area Concept Design and pickleball. This has helped build a partnership with the Town and the community it serves.

Commissions, Committees & Boards



The Historic Preservation Committee continued its work to determine the historic status of buildings in Town, and advise on project compliance with the Town's Residential Design Guidelines for buildings that are historic or located within the Town's Historic Districts. The work included 37 agenda items over 12 meetings.



The General Plan Committee provided recommendations on changes to the Town's General Plan in response to State Law and other Town priorities.

The Housing Element Advisory Board is part of the process to update the Housing Element. During its nine meetings, the Board reviewed draft documents, provided input and direction to staff, and provided a public forum for comments and discussion with the community.



The Conceptual Development Advisory Committee provides guidance and feedback to prospective applicants prior to submittal of a formal development review application. The work this year included discussion and feedback on a variety of housing and mixed-use projects.

The Development Review Committee continued the work of reviewing minor development projects for compliance with Town Code and applicable guidelines. The work included 27 agenda items over 18 meetings.



Budget at a Glance

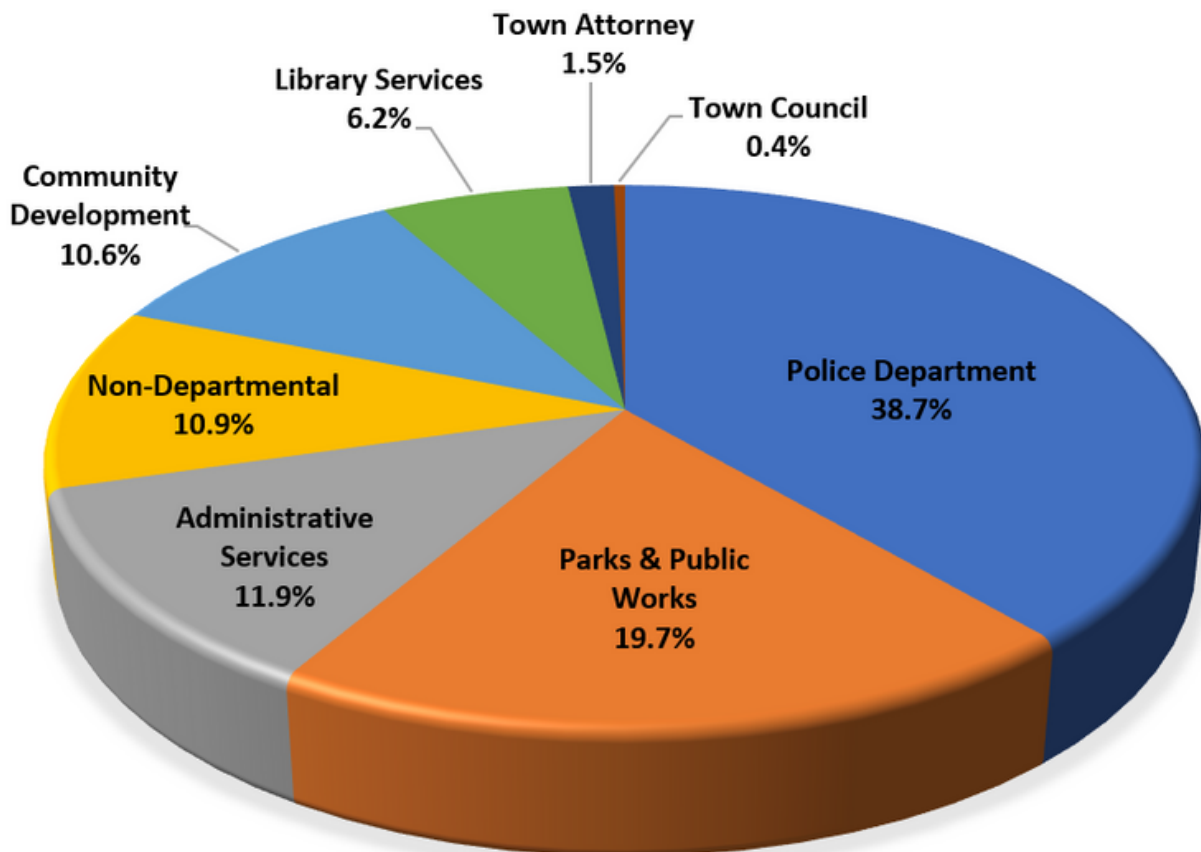


The Los Gatos Town Council unanimously adopted a balanced budget for the fiscal year 2023/24. The Town's fiscal year runs from July 1, 2023 through June 30, 2024. Each fiscal year, the budget is adopted in June following a discussion of the Council Strategic Priorities and a public hearing process. The Town budgets can be viewed at www.LosGatosCA.gov/TownBudget.

For fiscal year 2023/24, the total Operating Budget Expenditure is programmed for \$52.9 million, excluding Capital Transfers. In addition to the Operating Budget, the Council annually approves the Capital Improvement Budget which has \$10.1 million in new funding. The Operating Budget funds day to day Town services while the Capital Improvement Budget funds street maintenance, park improvements, and other facility upgrades.

FY 2023/24 GENERAL FUND OPERATING EXPENDITURES \$52.9 MILLION (EXCLUDING CAPITAL TRANSFERS)

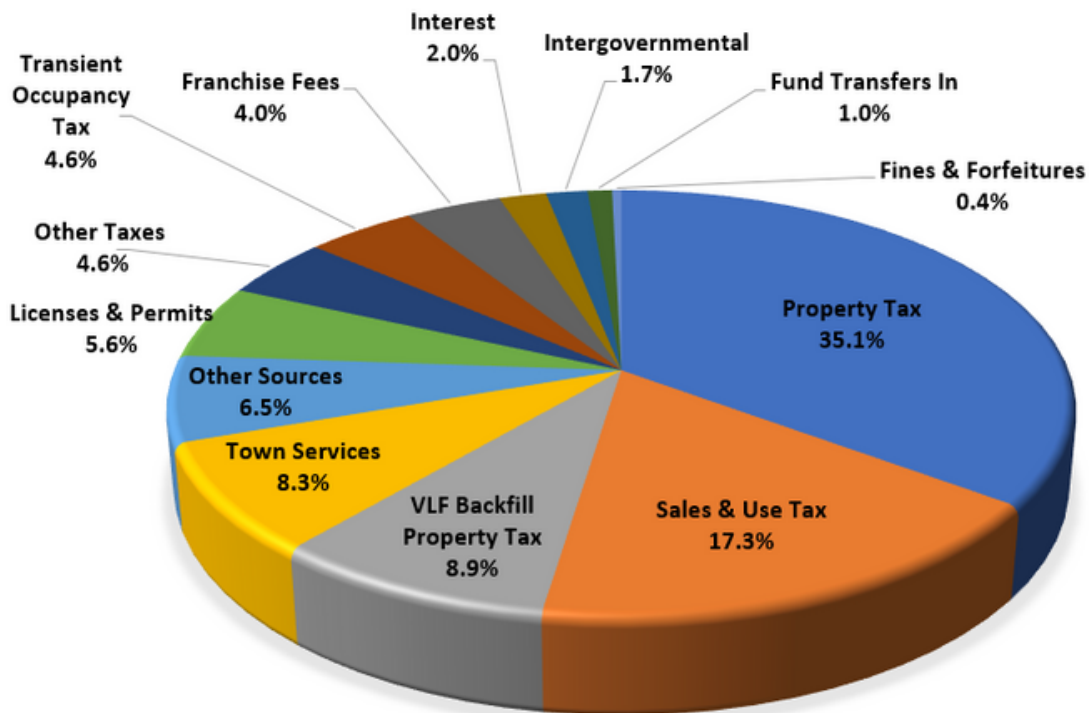
The allocation of funding for key Town services aligns with the Town goals of Public Safety, Quality Public Infrastructure, Community Character, Good Governance, Fiscal Stability, and Civil Enrichment.



Budget at a Glance

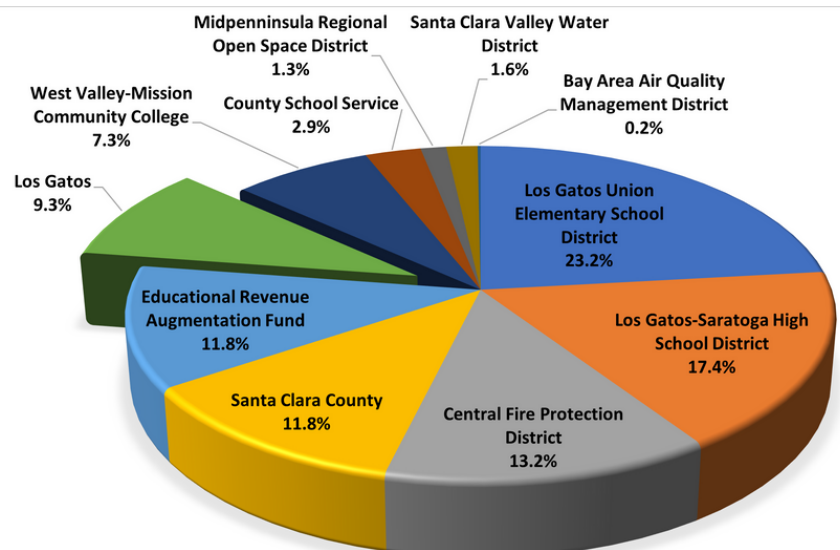


WHERE DOES THE MONEY COME FROM? FY 2023/24 GENERAL FUND OPERATING REVENUE \$52.9 MILLION (EXCLUDING RESTRICTED PENSION TRUST)



HOW IS PROPERTY TAX DISTRIBUTED?

- The Town receives \$9.30 of every \$100 collected in property tax paid by property owners.
- The Town receives \$1.125 of every \$9.125 of sales tax paid for taxable sales generated in Town.



Fiscal Responsibility



The Council-adopted Fiscal Year 2023/24 Budget endeavored to maintain essential public services while controlling operational costs in light of the Five-Year Financial Forecast, which predicts operating shortfalls in subsequent fiscal years. The loss of previously projected future growth in revenues in conjunction with increasing expenses continues to illustrate deficits in future years. The FY 2023/24 Budget was balanced through a combination of expenditure controls, the use of one-time available General Funds, and building in a 4.6% salary savings factor.

Providing current high service levels to the community in future fiscal years will require a strong return to pre-pandemic performance of the Town's economically sensitive revenues and/or revenue enhancements as identified as one of the Town Council's Strategic Priorities.

The Town's Finance Department continually monitors actual revenues and expenditures. A mid-year (July - December) budget review occurs in February to allow Council to make any needed adjustments. The Finance Department is also responsible for day-to-day fiscal operations, including but not limited to, payroll, accounts receivable and payable, and internal controls.



Looking Ahead...

While this report focuses on FY 2022/23, below are some key items for FY 2023/24:

- Continue emergency preparedness efforts including fire protection and vegetation management.
- Develop a five-year structurally balanced and sustainable operating forecast and a five-year full funded capital plan.
- Implement Senior Roadmap to further efforts to make Los Gatos a community where older adults thrive.
- Continue diversity, equity, and inclusion work.
- Housing Element certification.
- Senate Bill 9 implementation.
- Work with Town partners to support the needs of the Town's unhoused residents.
- Examine and redefine Town Commissions in line with Council Strategic Priorities.
- Traffic calming and safety for all users.
- Continue Comprehensive Parking Study implementation.

TOWN OF
Las GATOS
CALIFORNIA